

County of Los Angeles CHIEF EXECUTIVE OFFICE

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May 23, 2013

To:

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From:

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Chief Executive Officer LWC

WASHINGTON, D.C. UPDATE ON WATER RESOURCES DEVELOPMENT ACT (WRDA) REAUTHORIZATION

Executive Summary

This memorandum is to provide the Board with an update on S. 601 (Boxer), the Water Resources Development Act (WRDA) of 2013, which the Senate passed, 83 to 14, on May 15, 2013.

- The bill would authorize the appropriation of funds for Army Corps of Engineers (Corps) water resource projects, levee safety, and innovative financing pilot projects to improve water infrastructure.
- It does not include "earmarks" for any new projects, but it modifies the existing authorization for the Los Angeles County Drainage Area (LACDA) Project to authorize measures for flood risk reduction, ecosystem restoration, and recreation in the Compton Creek watershed.
- The bill requires the Secretary of the Army to conduct a comprehensive review of the Corps' levee vegetation management policy and to consider whether statewide, regional, or watershed variances should be allowed from national vegetation management guidelines.

Water Resources Development Act (WRDA) Reauthorization Bill (S. 601)

The Army Corps of Engineers (Corps) is responsible for planning, building, operating, and maintaining a wide range of water resources facilities, including those which support navigation, reduce flood and storm damage, and protect the environment. Most Corps studies, projects, programs, and policies are authorized under the Water Resources Development Act (WRDA).

On May 15, 2013, the Senate passed S. 601 (Boxer), a bipartisan WRDA reauthorization bill, which authorizes Corps projects and activities, and also changes some Corps policies and the financing of water resource and navigation infrastructure. Historically, WRDA has authorized funding for designated projects, but Congress has imposed a moratorium on new earmarks for projects since WRDA was last reauthorized in 2007.

Consistent with this moratorium on earmarks, the Senate bill does not authorize any specifically designated new projects. Instead, it authorizes new projects which meet new criteria-based standards, and also modifies some existing project authorizations, including for the Los Angeles County Drainage Area Project. The bill modifies LACDA's authorization to authorize measures for flood risk reduction, ecosystem restoration, and recreation in the Compton Creek watershed. This importantly would allow the Corps to conduct studies of the Compton Creek watershed to assess required levels of flood protection and opportunities for ecosystem restoration and groundwater recharge. This also would allow the Corps and the Los Angeles County Flood Control District to take steps to improve flood protection, the ecosystem, and groundwater recharge in this watershed.

Other provisions in S. 601 include the following:

- Levee Vegetation Management: Requires the Secretary of the Army to conduct a comprehensive review of the Corps' levee vegetation management policy and to consider whether statewide, regional, or watershed variances should be allowed from national vegetation management guidelines.
- Regional Sediment Management: Increases the annual authorization for regional sediment management projects from \$30 million to \$50 million; authorizes the Corps to reduce the non-Federal share of constructing a project, if using sediment at another project would reduce or avoid Federal costs, and to consider flood and storm damage reduction benefits in selecting a method for disposing a project's dredged material; and expands the use of sediment for improving environmental conditions in marshes, stabilizing stream channels, and enhancing shorelines;

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- Project Delivery Reforms: Includes reforms to accelerate the completion of projects, including by streamlining the Corps' environmental review process;
- Water Infrastructure Finance and Innovation Act (WIFIA): Establishes a new WIFIA pilot project for providing loans and loan guarantees to state and local governments to help finance water infrastructure projects which is modeled after Transportation Infrastructure Finance and Innovation Act financing of surface transportation projects; and
- Harbor Maintenance Trust Fund (HMTF): Increases the amount of user fees paid by shippers into the HMTF to help fund the operation and maintenance of harbors and ports that is spent annually for this purpose from \$1 billion in Federal Fiscal Year (FFY) 2014, by \$100 million each year, to \$1.6 billion in FFY 2019 with all HMTF revenues required to be spent for this purpose in subsequent years. At the end of FFY 2012, the HMTF had a balance of nearly \$7 billion because historically much of its user fee revenues have not been appropriated for allowable operation and maintenance expenditures.

Outlook for House Action on WRDA Reauthorization

The House Transportation and Infrastructure Committee, which has jurisdiction over WRDA, has not yet scheduled any action on WRDA reauthorization legislation. Its chairman, Representative Bill Shuster (R-PA) has indicated that he wants the House to pass its own version of WRDA to be reconciled with the Senate version. Before WRDA was last reauthorized in 2007, it had not been reauthorized since 2000, which is an indication of how Congress may not act quickly to reauthorize WRDA. Moreover, the main fiscal challenge facing the Corps is the lack of sufficient appropriations to conduct or complete all of the projects and activities currently authorized by WRDA.

We will continue to keep you advised.

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c: Executive Office, Board of Supervisor County Counsel